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## Forward to the Past

Capitalism in post-Communist Europe  
Sam Vaknin



The core countries of Central Europe—the Czech Republic, Hungary and, to a lesser extent, Poland—employed industrial-capitalist systems during the inter-war period. But the countries comprising the vast expanses of the Newly Independent States, Russia and the Balkans had no real experience with such a system. To them, its zealous introduction was nothing but another ideological experiment, and not a very rewarding one at that.

It is often said that there was no precedent for the extant transition from totalitarian Communism to liberal capitalism. This might well be true, yet nascent capitalism is not without historical examples. Thus, a discussion of the birth of capitalism in feudal Europe may lead to some surprising and potentially useful insights.

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## Insecurity and mayhem

The Barbarian conquest of the teetering Roman Empire (410 to 476 AD) heralded five centuries of existential insecurity and mayhem. Feudalism was the countryside's reaction to this damnation. It was a Hobson's choice and an explicit trade-off. Local lords defended their vassals against nomad intrusions in return for perpetual service, which bordered on slavery. A small percentage of the population subsisted on trade behind the massive walls of medieval cities.

In most parts of Central, Eastern and Southeastern Europe, feudalism endured well into the twentieth century. It was entrenched in the legal systems of both the Ottoman Empire and czarist Russia. Elements of feudalism survived in the mellifluous and prolix prose of the Habsburg codices and patents. Most of the denizens of these moribund swathes of Europe were farmers—only the profligate and parasitic members of a distinct minority inhabited the cities. The present agricultural sectors in countries as diverse as Poland and Macedonia attest to this continuity of feudal practices.

## Toward an economic man

Both manual labour and trade were derided in the Ancient World. This derision was partially eroded during the Dark Ages, and it survived only in relation to trade and other "non-productive" financial activities, but not past the thirteenth century. Max Weber, in his opus *The City* (New York, MacMillan, 1958), described this mental shift of paradigms thus: "The medieval citizen was on the way towards becoming an economic man [...] the ancient citizen was a political man."

What Communism did to the lands it permeated was to freeze this early feudal frame of mind of disdain towards "non-productive," "city-based" vocations. Agricultural and industrial occupations were romantically extolled. The cities were berated as hubs of moral turpitude, decadence and greed. Political awareness was made a precondition for personal survival and advancement. The clock was turned back.

Weber's *Homo economicus* yielded to Communism's supercilious version of the ancient Greeks' *zoon politikon*. John of Salisbury might as well have been writing for a Communist agitprop department when he penned this in *Polycraticus*, in 1159 AD: "...if [rich people, people with private property] have been stuffed through excessive greed and if they hold in their contents too obstinately, [they] give rise to countless and incurable illnesses and, through their vices, can bring about the ruin of the body as a whole." The body in the text being the body politic.

This inimical attitude should have come as no surprise to students of either urban realities or of Communism, their parricidal off-spring. The city liberated its citizens from the bondage of the feudal labour contract, and it acted as the supreme guarantor of the rights of private property. It relied on its trading and economic prowess to obtain and secure political autonomy. John of Paris, arguably one of the first capitalist cities (at least according to Braudel), wrote that the individual "had a right to property which was not with impunity to be interfered with by superior authority—because it was acquired by [his] own efforts" (in Georges Duby, *The Age of the Cathedrals: Art and Society, 980-1420*, Chicago, Chicago University Press, 1981).

Despite the fact that Communism was an urban phenomenon (albeit with rustic roots)—it abnegated these "bourgeois" values. Communal ownership replaced individual property, and servitude to the state replaced individualism. Under Communism, feudalism was restored. Even geographical mobility was severely curtailed, as was the case in feudal times. The doctrine of the Communist party monopolized all modes of thought and perception—very much the same as the Church-condoned religious strain did 700 years earlier. Communism was characterized by tensions between party, state and the economy; exactly as the medieval polity was plagued by conflicts between Church, king and merchant-bankers. Paradoxically, Communism was a faithful re-enactment of pre-capitalist history.

## **A distinction**

Communism should be well-distinguished from Marxism, however.

Still, it is ironic that even Marx's "scientific materialism" has an equivalent in the twilight times of feudalism. The eleventh and twelfth centuries witnessed a concerted effort by medieval scholars to apply "scientific" principles and human knowledge to the solution of social problems. The historian R W Southern called this period "scientific humanism" (in *Flesh and Stone* by Richard Sennett, London, Faber and Faber, 1994).

John of Salisbury's *Policraticus* was an effort to map political functions and interactions into their human physiological equivalents. The king, for instance, was the brain of the body politic. Merchants and bankers were the insatiable stomach. But this apparently simplistic analogy masked a schismatic debate.

Should a person's position in life be determined by his political affiliation and "natural" place in the order of things, or should it be the result of his capacities and their exercise (merit)? Do the ever-changing contents of the



economic "stomach," its kaleidoscopic innovativeness, its "permanent revolution" and its propensity to assume "irrational" risks adversely affect this natural order, which, after all, is based on tradition and routine? In short: is there an inherent incompatibility between the order of the world (read: the Church doctrine) and meritocratic (democratic) capitalism? Could Thomas Aquinas' *Summa Theologica* (the world as the body of Christ) be reconciled with *Stadt Luft Macht Frei* ("city air liberates" - the sign above the gates of the cities of the Hanseatic League)?

## Communism and Church

This is the eternal tension between the individual and the group. Individualism and Communism are not new to history, and they have always been in conflict. To compare the Communist Party to the Church is a well-worn cliché. Both religions—the secular and the divine—were threatened by the spirit of freedom and initiative embodied in urban culture, commerce and finance. The order they sought to establish, propagate and perpetuate conflicted with basic human drives and desires.

Communism was a throwback to the days before the ascent of the urbane, capitalistic, sophisticated, incredulous, individualistic and risqué West. It sought to substitute one kind of "scientific" determinism (the body politic of Christ) by another (the body politic of "the Proletariat"). It failed, and when it unravelled, it revealed a landscape of toxic devastation, frozen in time, an ossified natural order bereft of content and adherents. The post-Communist countries have to pick up where it left them, centuries ago. It is not so much a problem of lacking infrastructure as it is an issue of pathologized minds, not so much a matter of the body as a dysfunction of the psyche.

Historian Walter Ullman says that John of Salisbury thought (850 years ago) that "the individual's standing within society... [should be] based upon his office or his official function ... [the greater this

function was] the more scope it had, the weightier it was, the more rights the individual had." (Walter Ullman, *The Individual and Society in the Middle Ages*, Baltimore, Johns Hopkins University Press, 1966). I cannot conceive of a member of the Communist *nomenklatura* who would not have adopted this formula wholeheartedly. If modern capitalism can be described as "back to the future," Communism was surely a "forward to the past."

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